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October 19, 2001

Mr. James Connaghton
Chairman
Council on Environmental Quality
Executive Office of the President
730 Jackson Place, NW
Washington, DC 20503

**Re: Notice and Request for Comments
Council on Environmental Quality Energy Task Force**

Dear Chair Connaghton:

Equilon Pipeline Company LLC ("Equilon") would like to submit the following comments for the Energy Task Force as requested by the CEQ in the Federal Register notice dated August 20, 2001. Although the notice requested comments by October 1, we hope that you will still accept and consider the information provided in this letter. In particular, Equilon would like to respond to the CEQ's request for basic information regarding major energy projects that would benefit from acceleration pursuant to Executive Order 13212.

1. **Name of the project:** New Mexico Products Pipeline Project ("NMPPP")
2. **Entity proposing the project:** Equilon Pipeline Company LLC
3. **Category of the project:** Pipeline
4. **Brief description of the project:** The New Mexico Products Pipeline Project involves the conversion to refined oil products service of an existing BLM permitted 16-inch diameter, 406-mile, crude oil pipeline which runs between Jal, New Mexico and Bisti, New Mexico. Equilon proposes to extend the pipeline at each end, adding new 16-inch sections: (1) from an existing pipeline and distribution terminal in Odessa, Texas to Jal, New Mexico (approximately 62 miles, most of which is along previously-disturbed, existing corridors, including 3 miles that cross Bureau of Land Management ("BLM") land) and (2) from the Bisti Connection to an existing truck loading terminal at Bloomfield, New Mexico (approximately 32 miles, most of which is along

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previously-disturbed, existing corridors, including 30 miles that cross BLM land). Equilon also plans to construct new pump stations, pressure control stations, block and check valve sites, and new power transmission lines associated with the new pump stations as part of the project.

When all planned facilities are completed, Equilon's 16-inch pipeline will have a maximum capacity of approximately 80,000 to 90,000 Barrels Per Day ("BPD"). While the project is planned to initially deliver approximately 30,000 BPD to the Albuquerque and Four Corners markets, Equilon anticipates that the line will provide refined products to regional markets in the Four Corners and Central New Mexico area, increasing in throughputs as the demand grows.

5. Agency or agencies that must be consulted and agencies from which approval is needed.

Federal: Bureau of Land Management; Office of Pipeline Safety; U.S. Fish & Wildlife Service; U.S. Forest Service; Bureau of Indian Affairs.

State: New Mexico State Land Department; New Mexico State Historic Preservation Office; New Mexico Department of Transportation; Texas state agencies to be determined.

Tribal: Sandia Pueblo; Zia Pueblo; Navajo Nation.

Local: To be determined during route selection.

Equilon believes that the review of the NMPPP deserves to be expedited for a number of reasons. First, as a study by the New Mexico Attorney General's Office concluded, the markets to be served by the pipeline currently lack vigorous supply competition. Equilon's NMPPP will bring an additional source of supply from the Gulf Coast to New Mexico. This will help reduce the chance of any supply interruption and will bring increased competition to the marketplace that will be beneficial to the economy. Second, pipeline transportation is the safest and most environmentally sound form of transportation of petroleum fuels. Since 406 miles of the pipeline are already in place at this time, we believe the environmental impact of converting the system to products service would be far less than those that would result from constructing a new pipeline system to serve these markets. Finally, the NMPPP has already been delayed for more than two years and would benefit from the CEQ's attention, coordination and efforts to expedite the process of review.

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Thank you for the opportunity to submit this information. If you would like additional information regarding the New Mexico Products Pipeline Project, please do not hesitate to contact me.

Sincerely,

Michael J. Brennan
SAS

Michael J. Brennan, P.C.
of Holland & Hart LLP

cc: Chuck Moseman
Val Hatley
Janet Minyard
John Ramsey
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